



Montana Environmental Trust Group LLC,
Trustee of the Montana Environmental Custodial Trust
By Greenfield Environmental Trust Group, Inc., Member
P.O. Box 1189 Helena, Montana 59624
Telephone: (406)457-2142
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August 3, 2023

By Electronic Mail

Max Greenblum, US EPA Region 8
Harley Harris, Montana Department of Justice
Katherine Hausrath, Montana Department of Justice
Amy Horner Hanley, Department of the Interior
Steve Opp, USDA Forest Service
Amy Steinmetz, Montana Department of Environmental Quality
Sydney Stewart, Montana Department of Justice
Alan Tenenbaum, US Department of Justice
Jessica Wilkerson, Montana Department of Environmental Quality
Bridget Williams, US EPA Region 8

Subject: Custodial Trust First Quarter 2023 Financial Statements

As Trustee for the Montana Environmental Custodial Trust (the Custodial Trust), Montana Environmental Trust Group LLC, hereby submits the attached financial statements for the following Custodial Trust Accounts to the beneficiaries of the Custodial Trust:

- (1) The Custodial Trust Administrative Account;
- (2) The East Helena Cleanup Account;
- (3) The East Helena NRD Account;
- (4) The Mike Horse/Upper Blackfoot Mining Complex Cleanup Account;
- (5) The Black Pine Cleanup Account; and
- (6) The Iron Mountain Cleanup Account

The attached financial statements cover the first quarter and three months ended March 31, 2023 and are submitted pursuant to the Custodial Trust's obligations under ¶6.1 of the Environmental Custodial Trust Agreement (Attachment D to the Consent Decree and Settlement Agreement Regarding the Montana Sites).

Please do not hesitate to contact me or Cindy Brooks with any questions pertaining to the attached.

Sincerely,

A handwritten signature in blue ink that reads "Jen Roberts, CPA". The signature is written in a cursive, flowing style.

Montana Environmental Trust Group, LLC
Trustee of the Montana Environmental Custodial Trust
By: Greenfield Environmental Trust Group, Inc., Member
By: Jennifer Roberts, Financial Affairs Manager

Attachments

cc: Carolina Balliew—MDEQ
Cynthia Brooks—Custodial Trust
Katie Garcin-Forba—MDEQ
Lauri Gorton—Custodial Trust
Denise Kirkpatrick—MDEQ
Denise Martin—MDEQ
Erica Menard—Custodial Trust
Babak Rastgoufard—USDA Forest Service
Tim Reilly—MDEQ
Robert Roll—MDEQ
Sonny Thornborrow—USDA Forest Service
Aaron Urdiales—US EPA
Robert Wintergerst—USDA Forest Service

Accountant's Compilation Report

To the Trustees and Beneficiaries
Montana Environmental Trust Group LLC
Trustee for the Montana Environmental Custodial Trust
Helena, MT

The Trustees are responsible for the accompanying special purpose financial statements of the Custodial Trust Administrative Account, the East Helena Clean-up Account, the Mike Horse/Upper Blackfoot Complex Clean-up Account, the Black Pine Clean-up Account, the Iron Mountain Clean-up Account and the East Helena Natural Resources Account (collectively the Custodial Trust), which comprise the statement of financial position as of March 31, 2023 and the related statements of activities for the first quarter and three months ended March 31, 2023 and for determining that the special purpose basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by the trustees. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the special purpose basis of accounting in accordance with the requirements of the Trust's obligations under ¶6.1 of the Environmental Response Trust Agreement, which is a basis of accounting other than accounting principles generally accepted in the United States.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the prescribed format basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Trust's assets, liabilities, net trust assets, additions, and deductions. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Supplementary Information

The Black Pine Mine Custodial Trust Expense Tracking supplementary information is presented for purposes of additional analysis and is not a required part of the special purpose financial statements. This information is the representation of the trustees. The information was subject to our compilation engagements; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to Multistate Environmental Response Trust.



Wipfli LLP

July 21, 2023
Helena, MT

Montana Environmental Custodial Trust
Custodial Trust Administrative Account

STATEMENT OF FINANCIAL POSITION

As of March 31, 2023

ASSETS

Current assets

Cash

\$ 82,996.74

Due from other cost centers

658.19

Total current assets

83,654.93

Investments

2,968,463.66

Total assets

\$ 3,052,118.59

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable

\$ 183,447.94

Total current liabilities

183,447.94

Net assets

2,868,670.65

Total net assets and liabilities

\$ 3,052,118.59

Montana Environmental Custodial Trust
Custodial Trust Administrative Account

STATEMENTS OF ACTIVITIES

For the Three Months Ended March 31, 2023

| | First Quarter Ended March 31, 2023 | Three Months Ended March 31, 2023 | Approved Budget | Variance | Percent of Budget |
|------------------------------------|---------------------------------------|--------------------------------------|-----------------|----------------|----------------------|
| Revenues: | | | | | |
| Investment income, net of fees | \$ 9,926.77 | \$ 9,926.77 | | | |
| Realized gains (losses) | - | - | | | |
| Unrealized gains (losses) | 32,945.70 | 32,945.70 | | | |
| Total revenues (losses) | 42,872.47 | 42,872.47 | | | |
| Expenses: | | | | | |
| 1.A Financial Affairs | | | | | |
| 1.A.1 Outside Financial Services | 6,947.40 | 6,947.40 | \$ 28,000.00 | \$ (21,052.60) | 24.81% |
| 1.A Financial Affairs Total | 6,947.40 | 6,947.40 | 28,000.00 | (21,052.60) | 24.81% |
| 1.C Property Taxes | | | | | |
| 1.C.1 East Helena | - | - | 28,000.00 | (28,000.00) | 0.00% |
| 1.C.2 UBMC-Mike Horse | - | - | 5,400.00 | (5,400.00) | 0.00% |
| 1.C.3 Black Pine | - | - | 2,300.00 | (2,300.00) | 0.00% |
| 1.C.4 Iron Mountain | - | - | 400.00 | (400.00) | 0.00% |
| 1.C Property Taxes Total | - | - | 36,100.00 | (36,100.00) | 0.00% |
| 1.F Site Security | | | | | |
| 1.F.1 East Helena | - | - | 1,000.00 | (1,000.00) | 0.00% |
| 1.F.2 UBMC-Mike Horse | - | - | 2,000.00 | (2,000.00) | 0.00% |
| 1.F.3 Black Pine | - | - | 1,000.00 | (1,000.00) | 0.00% |
| 1.F.4 Iron Mountain | - | - | 1,000.00 | (1,000.00) | 0.00% |
| 1.F Site Security Total | - | - | 5,000.00 | (5,000.00) | 0.00% |
| 1.G Insurance | | | | | |
| 1.G.1 Commercial General Liability | 27,618.18 | 27,618.18 | 28,000.00 | (381.82) | 98.64% |
| 1.G.2 Vehicle-Equipment Insurance | - | - | 3,000.00 | (3,000.00) | 0.00% |
| 1.G.3 Property Insurance | - | - | 8,000.00 | (8,000.00) | 0.00% |
| 1.G Insurance Total | 27,618.18 | 27,618.18 | 39,000.00 | (11,381.82) | 70.82% |

Montana Environmental Custodial Trust
Custodial Trust Administrative Account

STATEMENTS OF ACTIVITIES

For the Three Months Ended March 31, 2023

| | First Quarter Ended March 31, 2023 | Three Months Ended March 31, 2023 | Approved Budget | Variance | Percent of Budget |
|---|---------------------------------------|--------------------------------------|-----------------|-----------------|----------------------|
| 1.H Trust Legal Affairs | | | | | |
| 1.H.1 Outside Counsel | 332.00 | 332.00 | 1,500.00 | (1,168.00) | 22.13% |
| 1.H.2 Records Segregation Costs | 5,137.75 | 5,137.75 | 42,000.00 | (36,862.25) | 12.23% |
| 1.H.3 GETG Professional Fees | 9,365.00 | 9,365.00 | 21,500.00 | (12,135.00) | 43.56% |
| 1.H.4 Water Rights | 7,682.30 | 7,682.30 | 38,800.00 | (31,117.70) | 19.80% |
| 1.H Trust Legal Affairs Total | 22,517.05 | 22,517.05 | 103,800.00 | (81,282.95) | 21.69% |
| 1.I Unpatented Mining Claims | | | | | |
| 1.I.1a Fees for Unpatented Mining Claims - Black Pine | - | - | 29,000.00 | (29,000.00) | 0.00% |
| 1.I.1b Fees for Unpatented Mining Claims - UBMC/Mike Horse | - | - | 25,000.00 | (25,000.00) | 0.00% |
| 1.I Unpatented Mining Claims Total | - | - | 54,000.00 | (54,000.00) | 0.00% |
| 1.K Property Sales | | | | | |
| 1.K.1 East Helena | 40,092.25 | 40,092.25 | 178,300.00 | (138,207.75) | 22.49% |
| 1.K.2 UBMC-Mike Horse | 1,443.75 | 1,443.75 | 1,700.00 | (256.25) | 84.93% |
| 1.K.3 Black Pine | - | - | 1,700.00 | (1,700.00) | 0.00% |
| 1.K.4 Iron Mountain | 67.75 | 67.75 | 1,700.00 | (1,632.25) | 3.99% |
| 1.K Property Sales Total | 41,603.75 | 41,603.75 | 183,400.00 | (141,796.25) | 22.68% |
| 1.L Trustee Costs | | | | | |
| 1.L.1 Trustee Fees | 4,780.00 | 4,780.00 | 30,000.00 | (25,220.00) | 15.93% |
| 1.L.2 Trustee Expenses | - | - | 500.00 | (500.00) | 0.00% |
| 1.L Trustee Costs Total | 4,780.00 | 4,780.00 | 30,500.00 | (25,720.00) | 15.67% |
| Total expenses | 103,466.38 | 103,466.38 | \$ 479,800.00 | \$ (376,333.62) | 21.56% |
| Change in net assets | (60,593.91) | (60,593.91) | | | |
| Net assets, beginning of period | 2,929,264.56 | 2,929,264.56 | (1) | | |
| Net assets, end of period | \$ 2,868,670.65 | \$ 2,868,670.65 | | | |

(1) Net assets, beginning of period have been restated by \$60,425.00 to reflect a 2022 invoice (Cost Center 1.K.1) received after issuance of the 2022 financial statements.

Montana Environmental Custodial Trust
East Helena Clean-up Account

STATEMENT OF FINANCIAL POSITION

As of March 31, 2023

ASSETS

Current assets

| | |
|-----------------------------|-------------------|
| Cash | \$ 134,661.39 |
| Due from other cost centers | 67.64 |
| Accounts receivable | 136,590.82 |
| Total current assets | <u>271,319.85</u> |

Investments

45,532,676.88

Total assets

\$ 45,803,996.73

LIABILITIES AND NET ASSETS

Liabilities

| | |
|-----------------------------|-------------------|
| Accounts payable | \$ 761,348.91 |
| Retention hold-back payable | 117,828.78 |
| Total current liabilities | <u>879,177.69</u> |

Net assets

44,924,819.04

Total net assets and liabilities

\$ 45,803,996.73

Montana Environmental Custodial Trust
East Helena Clean-up Account

STATEMENTS OF ACTIVITIES

For the Three Months Ended March 31, 2023

| | First Quarter Ended March 31, 2023 | Three Months Ended March 31, 2023 | Approved Budget | Variance | Percent of Budget |
|---|---------------------------------------|--------------------------------------|--------------------|----------------|----------------------|
| Revenues: | | | | | |
| Income | | | | | |
| Agricultural tenants rental/lease income | \$ - | \$ - | | | |
| Unfumed slag sales proceeds, gross | 19,949.48 | 19,949.48 | | | |
| Income Total | 19,949.48 | 19,949.48 | | | |
| Investment activity, net of fees | 176,500.17 | 176,500.17 | | | |
| Realized gains (losses) | (2,444.02) | (2,444.02) | | | |
| Unrealized gains (losses) | 816,284.44 | 816,284.44 | | | |
| Total revenues (losses) | 1,010,290.07 | 1,010,290.07 | | | |
| Expenses: | | | | | |
| 2.B · General Site Operations & Maintenance | | | | | |
| 2.B.1 · Operations & Maintenance | 7,331.29 | 7,331.29 | \$ 71,400.00 | \$ (64,068.71) | 10.27% |
| 2.B.3 · Health & Safety | 2,542.50 | 2,542.50 | 17,800.00 | (15,257.50) | 14.28% |
| 2.B.6 · Emergency Response | - | - | 20,000.00 | (20,000.00) | 0.00% |
| Total 2.B · General Site Operations & Maintenance | 9,873.79 | 9,873.79 | 109,200.00 | (99,326.21) | 9.04% |
| 2.D · Slag Reprocessing | | | | | |
| 2.D.1 · Slag Reprocessing | 13,377.50 | 13,377.50 | 90,200.00 | (76,822.50) | 14.83% |
| Total 2.D · Slag Reprocessing | 13,377.50 | 13,377.50 | 90,200.00 | (76,822.50) | 14.83% |
| 2.F · RCRA Compliance | | | | | |
| 2.F.5 · CAMU O&M/Leachate Collection and Disposal | 990.00 | 990.00 | 74,000.00 | (73,010.00) | 1.34% |
| Total 2.F · RCRA Compliance | 990.00 | 990.00 | 74,000.00 | (73,010.00) | 1.34% |

Montana Environmental Custodial Trust
East Helena Clean-up Account

STATEMENTS OF ACTIVITIES

For the Three Months Ended March 31, 2023

| | First Quarter Ended March 31, 2023 | Three Months Ended March 31, 2023 | Approved Budget | Variance | Percent of Budget |
|---|---------------------------------------|--------------------------------------|--------------------|----------------|----------------------|
| 2.J · RCRA Corrective Action Implementation | | | | | |
| 2.J.6b · Final Remedy Construction/Implementation | 497,776.71 | 497,776.71 | 1,646,300.00 | (1,148,523.29) | 30.24% |
| 2.J.6c · Corrective Measures O&M | 23,222.50 | 23,222.50 | 446,000.00 | (422,777.50) | 5.21% |
| 2.J.6d · CAMP/Performance Monitoring | 31,259.67 | 31,259.67 | 309,000.00 | (277,740.33) | 10.12% |
| 2.J.6e · Long term Technical Planning/Support | - | - | 25,000.00 | (25,000.00) | 0.00% |
| 2.J.6f · Residential Well Abandonment | - | - | 234,400.00 | (234,400.00) | 0.00% |
| 2.J.6g · East Helena Water Quality Projects | 10,103.98 | 10,103.98 | 1,591,000.00 | (1,580,896.02) | 0.64% |
| 2.J.6h · CMS Parcel 2 Remediation | 1,872.00 | 1,872.00 | 24,000.00 | (22,128.00) | 7.80% |
| Total 2.J · RCRA Corrective Action Implementation | 564,234.86 | 564,234.86 | 4,275,700.00 | (3,711,465.14) | 13.20% |
| 2.K · Documents & Records | | | | | |
| 2.K.3 · System Maintenance | 4,373.83 | 4,373.83 | 18,000.00 | (13,626.17) | 24.30% |
| Total 2.K · Documents & Records | 4,373.83 | 4,373.83 | 18,000.00 | (13,626.17) | 24.30% |
| 2.M · CERCLA Compliance | | | | | |
| 2.M.1 · CERCLA/ROD Compliance | 1,072.50 | 1,072.50 | 18,000.00 | (16,927.50) | 5.96% |
| Total 2.M · CERCLA Compliance | 1,072.50 | 1,072.50 | 18,000.00 | (16,927.50) | 5.96% |
| 2.N · Financial Affairs | | | | | |
| 2.N.1 · Outside Financial/CPA Services | 5,414.05 | 5,414.05 | 25,000.00 | (19,585.95) | 21.66% |
| Total 2.N · Financial Affairs | 5,414.05 | 5,414.05 | 25,000.00 | (19,585.95) | 21.66% |

Montana Environmental Custodial Trust
East Helena Clean-up Account

STATEMENTS OF ACTIVITIES

For the Three Months Ended March 31, 2023

| | First Quarter Ended March 31, 2023 | Three Months Ended March 31, 2023 | Approved Budget | Variance | Percent of Budget |
|--|---------------------------------------|--------------------------------------|--------------------|-------------------|----------------------|
| 2.O · Redevelopment | | | | | |
| 2.O.2 · Redevelopment Technical Support | - | - | 15,000.00 | (15,000.00) | 0.00% |
| 2.O.3 · Redevelopment Issues | - | - | 5,000.00 | (5,000.00) | 0.00% |
| Total 2.O · Redevelopment | - | - | 20,000.00 | (20,000.00) | 0.00% |
| 2.P · Community Relations | | | | | |
| 2.P.1 · General Meetings | - | - | 3,000.00 | (3,000.00) | 0.00% |
| 2.P.2 · RCRA Annual Public Meeting | - | - | 3,000.00 | (3,000.00) | 0.00% |
| 2.P.3 · East Helena Website | - | - | 2,000.00 | (2,000.00) | 0.00% |
| 2.P.5 · Other Community Relations | 6,851.25 | 6,851.25 | 15,000.00 | (8,148.75) | 45.68% |
| Total 2.P · Community Relations | 6,851.25 | 6,851.25 | 23,000.00 | (16,148.75) | 29.79% |
| 2.R · Legal Support | | | | | |
| 2.R.1 · Outside Counsel Fees & Expenses | - | - | 15,000.00 | (15,000.00) | 0.00% |
| 2.R.2 · In-House Legal Services | 11,293.25 | 11,293.25 | 55,000.00 | (43,706.75) | 20.53% |
| Total 2.R · Legal Support Total | 11,293.25 | 11,293.25 | 70,000.00 | (58,706.75) | 16.13% |
| 2.T · Trustee Management & Support | | | | | |
| 2.T.4 · GW and PPC Project Management | 13,319.25 | 13,319.25 | 50,000.00 | (36,680.75) | 26.64% |
| 2.T.6 · Compliance Manager | 9,091.50 | 9,091.50 | 25,100.00 | (16,008.50) | 36.22% |
| 2.T.8 · Operations/Communications Support Specialist | 11,731.25 | 11,731.25 | 16,700.00 | (4,968.75) | 70.25% |
| 2.T.9 · Project Controls/Fin Affairs Coordinator | 9,738.00 | 9,738.00 | 51,100.00 | (41,362.00) | 19.06% |
| 2.T.11 · Trustee Mgmt. EH Clean Up | 36,991.50 | 36,991.50 | 133,800.00 | (96,808.50) | 27.65% |
| 2.T.13 · Trustee Travel and Directs | - | - | 12,000.00 | (12,000.00) | 0.00% |
| 2.T.14 · Project Management/LT Stewardship Oversight | 5,225.00 | 5,225.00 | 80,000.00 | (74,775.00) | 6.53% |
| Total 2.T · Trustee Management & Support Total | 86,096.50 | 86,096.50 | 368,700.00 | (282,603.50) | 23.35% |
| 2.U · Institutional Controls | | | | | |
| 2.U.1 · EH Controlled Groundwater Area | - | - | 5,000.00 | (5,000.00) | 0.00% |
| 2.U.2 · ICs for Soil Repositories | 382.00 | 382.00 | 100,000.00 | (99,618.00) | 0.38% |
| 2.U.3 · Create New Permanent Soil Repository | 8,260.10 | 8,260.10 | 50,000.00 | (41,739.90) | 16.52% |
| Total 2.U · Institutional Controls | 8,642.10 | 8,642.10 | 155,000.00 | (146,357.90) | 5.58% |
| Total East Helena expenses | 712,219.63 | 712,219.63 | \$ 5,246,800.00 | \$ (4,534,580.37) | 13.57% |
| Change in net assets | 298,070.44 | 298,070.44 | | | |
| Net assets, beginning of period | 44,626,748.60 | 44,626,748.60 | | | |
| Net assets, end of period | \$ 44,924,819.04 | \$ 44,924,819.04 | | | |

Montana Environmental Custodial Trust
Summary East Helena Clean-up Account

SUMMARY STATEMENTS OF ACTIVITIES
For the Three Months Ended March 31, 2023

| | First Quarter Ended March 31, 2023 | Three Months Ended March 31, 2023 | Approved Budget | Variance | Percent of Budget |
|---|---------------------------------------|--------------------------------------|------------------------|--------------------------|----------------------|
| Revenues: | | | | | |
| Rental/lease income | \$ - | \$ - | | | |
| Unfumed slag sales proceeds, gross | 19,949.48 | 19,949.48 | | | |
| Investment activity, net of fees | 176,500.17 | 176,500.17 | | | |
| Realized gains (losses) | (2,444.02) | (2,444.02) | | | |
| Unrealized gains (losses) | 816,284.44 | 816,284.44 | | | |
| Total revenues (losses) | <u>1,010,290.07</u> | <u>1,010,290.07</u> | | | |
| Expenses: | | | | | |
| 2.B · General Site Operations & Maintenance | 9,873.79 | 9,873.79 | \$ 109,200.00 | \$ (99,326.21) | 9.04% |
| 2.D · Slag Reprocessing | 13,377.50 | 13,377.50 | 90,200.00 | \$ (76,822.50) | 14.83% |
| 2.F · RCRA Compliance | 990.00 | 990.00 | 74,000.00 | (73,010.00) | 1.34% |
| 2.J · RCRA Corrective Action Implementation | 564,234.86 | 564,234.86 | 4,275,700.00 | (3,711,465.14) | 13.20% |
| 2.K · Documents & Records | 4,373.83 | 4,373.83 | 18,000.00 | (13,626.17) | 24.30% |
| 2.M · CERCLA Compliance | 1,072.50 | 1,072.50 | 18,000.00 | (16,927.50) | 5.96% |
| 2.N · Financial Affairs | 5,414.05 | 5,414.05 | 25,000.00 | (19,585.95) | 21.66% |
| 2.O · Redevelopment | - | - | 20,000.00 | (20,000.00) | 0.00% |
| 2.P · Community Relations | 6,851.25 | 6,851.25 | 23,000.00 | (16,148.75) | 29.79% |
| 2.R · Legal Support | 11,293.25 | 11,293.25 | 70,000.00 | (58,706.75) | 16.13% |
| 2.T · Trustee Management & Support | 86,096.50 | 86,096.50 | 368,700.00 | (282,603.50) | 23.35% |
| 2.U · Institutional Controls | 8,642.10 | 8,642.10 | 155,000.00 | (146,357.90) | 5.58% |
| Total East Helena expenses | <u>712,219.63</u> | <u>712,219.63</u> | <u>\$ 5,246,800.00</u> | <u>\$ (4,534,580.37)</u> | <u>13.57%</u> |
| Change in net assets | 298,070.44 | 298,070.44 | | | |
| Net assets, beginning of period | 44,626,748.60 | 44,626,748.60 | | | |
| Net assets, end of period | <u>\$ 44,924,819.04</u> | <u>\$ 44,924,819.04</u> | | | |

Montana Environmental Custodial Trust
East Helena NRD Account

STATEMENT OF FINANCIAL POSITION

As of March 31, 2023

| ASSETS | | |
|----------------------------------|--|----------------------|
| Current assets | | |
| Cash | | \$ - |
| Total current assets | | - |
| Investments | | 339,823.39 |
| Total assets | | <u>\$ 339,823.39</u> |
| LIABILITIES AND NET ASSETS | | |
| Liabilities | | \$ 352.50 |
| Net assets | | 339,470.89 |
| Total net assets and liabilities | | <u>\$ 339,823.39</u> |

Montana Environmental Custodial Trust
East Helena NRD Account

STATEMENTS OF ACTIVITIES

For the Three Months Ended March 31, 2023

| | First Quarter Ended March 31, 2023 | Three Months Ended March 31, 2023 | Approved Budget | Variance | Percent of Budget |
|---------------------------------|---------------------------------------|--------------------------------------|----------------------|------------------------|----------------------|
| Revenues: | | | | | |
| Investment income, net of fees | \$ 3,596.32 | \$ 3,596.32 | | | |
| Total revenues (losses) | <u>3,596.32</u> | <u>3,596.32</u> | | | |
| Expenses: | | | | | |
| 3.A.1 Restoration Costs | 352.50 | 352.50 | \$ 265,000.00 | \$ (264,647.50) | 0.13% |
| 3.A.2 Operations & Maintenance | - | - | 8,500.00 | (8,500.00) | 0.00% |
| Total expenses | <u>352.50</u> | <u>352.50</u> | <u>\$ 273,500.00</u> | <u>\$ (273,147.50)</u> | <u>0.13%</u> |
| Change in net assets | 3,243.82 | 3,243.82 | | | |
| Net assets, beginning of period | 336,227.07 | 336,227.07 | | | |
| Net assets, end of period | <u>\$ 339,470.89</u> | <u>\$ 339,470.89</u> | | | |

Montana Environmental Custodial Trust
Mike Horse/UBMC Clean-up Account

STATEMENT OF FINANCIAL POSITION

As of March 31, 2023

ASSETS

| | |
|---------------------------------|-------------------------------|
| Current assets | |
| Cash, Cleanup Account | \$ 66,188.69 |
| Cash, Segregated Account | - |
| Prepaid expenses - DEQ | 11,720.59 |
| Total current assets | <u>77,909.28</u> |
| Investments, Cleanup Account | 1,472,380.48 |
| Investments, Segregated Account | 1,908,555.01 |
| Total assets | <u><u>\$ 3,458,844.77</u></u> |

LIABILITIES AND NET ASSETS

| | |
|--------------------------------------|-------------------------------|
| Liabilities | |
| Accounts payable, Cleanup Account | \$ 28,411.33 |
| Accounts payable, Segregated Account | 6,698.85 |
| Due to other cost centers | 725.83 |
| Total current liabilities | <u>35,836.01</u> |
| Net Assets | |
| Net assets, Cleanup Account | 1,568,519.75 |
| Net assets, Segregated Account | 1,854,489.01 |
| Total net assets | <u>3,423,008.76</u> |
| Total net assets and liabilities | <u><u>\$ 3,458,844.77</u></u> |

Montana Environmental Custodial Trust
Mike Horse/UBMC Clean-up Account

STATEMENTS OF ACTIVITIES

For the Three Months Ended March 31, 2023

| | First Quarter Ended March 31, 2023 | Three Months Ended March 31, 2023 | Approved Budget | Variance | Percent of Budget |
|---|---------------------------------------|--------------------------------------|--------------------|----------------|----------------------|
| Revenues: | | | | | |
| Interest income - DEQ | \$ 145.19 | \$ 145.19 | | | |
| Investment income, net of fees | 2,967.59 | 2,967.59 | | | |
| Unrealized gains (losses) | 18,748.25 | 18,748.25 | | | |
| Total revenues (losses) | 21,861.03 | 21,861.03 | | | |
| Expenses: | | | | | |
| 4.1 MT DEQ Expenses | | | | | |
| 4.A Personnel (MT DEQ) | 2,441.92 | 2,441.92 | \$ 25,950.00 | \$ (23,508.08) | 9.41% |
| 4.DEQ Direct & Indirect Expenses | 586.06 | 586.06 | 6,990.00 | (6,403.94) | 8.38% |
| 4.1 Total MT DEQ Expenses | 3,027.98 | 3,027.98 | 32,940.00 | (29,912.02) | 9.19% |
| 4.2 Other Expenses | | | | | |
| 4.B Material, Supplies & Chemicals | | | | | |
| 1-62244 Chemicals | - | - | 100,000.00 | (100,000.00) | 0.00% |
| WTP Supplies | 7,102.99 | 7,102.99 | 36,900.00 | (29,797.01) | 19.25% |
| 4.B Material, Supplies & Chemicals | 7,102.99 | 7,102.99 | 136,900.00 | (129,797.01) | 5.19% |
| 4.C Operating Labor | | | | | |
| 1-62102-01 Trust Management and Oversight | 18,066.33 | 18,066.33 | 65,700.00 | (47,633.67) | 27.50% |
| 1-62102-02 GETG Trustee Oversight | 4,710.50 | 4,710.50 | 21,100.00 | (16,389.50) | 22.32% |
| 1-62102-22 WTP Technician/Operator | 33,387.80 | 33,387.80 | 121,100.00 | (87,712.20) | 27.57% |
| 4.C Operating Labor | 56,164.63 | 56,164.63 | 207,900.00 | (151,735.37) | 27.02% |
| 4.D Other Professional Services/Labor (Routine) | | | | | |
| 1-62102-31 PLC & Instrumentation Service (MET) | - | - | 20,000.00 | (20,000.00) | 0.00% |
| 1-62891 Handyman Charges | - | - | 7,500.00 | (7,500.00) | 0.00% |
| 1-62102-51 Accounting Services (Wipfli) | 881.12 | 881.12 | 5,000.00 | (4,118.88) | 17.62% |
| 1-62243 Weed Control | - | - | 1,500.00 | (1,500.00) | 0.00% |
| 4.D Other Professional Services/Labor | 881.12 | 881.12 | 34,000.00 | (33,118.88) | 2.59% |
| 4.E WTP Operations - Analytical (Routine) | | | | | |
| 1-62106-01 Energy Lab Testing (O&M Samples) | 7,162.75 | 7,162.75 | 20,000.00 | (12,837.25) | 35.81% |
| 1-62106-02 Linda Tangen Data Validation (O&M) | - | - | 6,000.00 | (6,000.00) | 0.00% |
| 4.E WTP Operations - Analytical | 7,162.75 | 7,162.75 | 26,000.00 | (18,837.25) | 27.55% |

Montana Environmental Custodial Trust
Mike Horse/UBMC Clean-up Account

STATEMENTS OF ACTIVITIES

For the Three Months Ended March 31, 2023

| | First Quarter Ended March 31, 2023 | Three Months Ended March 31, 2023 | Approved Budget | Variance | Percent of Budget |
|--|---------------------------------------|--------------------------------------|--------------------|-----------------|----------------------|
| 4.F WTP Operations - Utilities (Routine) | | | | | |
| 1-62186 Waste Disposal | - | - | 13,800.00 | (13,800.00) | 0.00% |
| 1-62371 Telephone | 855.80 | 855.80 | 4,200.00 | (3,344.20) | 20.38% |
| 1-62601 Electricity | 8,385.05 | 8,385.05 | 37,300.00 | (28,914.95) | 22.48% |
| 1-62605 Water & Sewage | - | - | 1,700.00 | (1,700.00) | 0.00% |
| 1-62606 Garbage & Trash | 346.53 | 346.53 | 1,800.00 | (1,453.47) | 19.25% |
| 1-62607 Propane | - | - | 15,000.00 | (15,000.00) | 0.00% |
| 4.F WTP Operations - Utilities | 9,587.38 | 9,587.38 | 73,800.00 | (64,212.62) | 12.99% |
| 4.H Projects & Construction | | | | | |
| 1-63113-20 Finalize O&M Manual | 2,376.75 | 2,376.75 | 11,500.00 | (9,123.25) | 20.67% |
| 1-63113-70 - USFS Land Swap Evaluation | 2,476.95 | 2,476.95 | 21,400.00 | (18,923.05) | 11.57% |
| 4.H Projects & Construction | 4,853.70 | 4,853.70 | 32,900.00 | (28,046.30) | 14.75% |
| 4.2 Total Other Expenses | 85,752.57 | 85,752.57 | 511,500.00 | (425,747.43) | 16.76% |
| Total expenses | 88,780.55 | 88,780.55 | \$ 544,440.00 | \$ (455,659.45) | 16.31% |
| Change in net assets | (66,919.52) | (66,919.52) | | | |
| Net assets, beginning of period | 1,635,439.27 | 1,635,439.27 | | | |
| Net assets, end of period | \$ 1,568,519.75 | \$ 1,568,519.75 | | | |

Montana Environmental Custodial Trust
Mike Horse/UBMC Segregated Account

STATEMENTS OF ACTIVITIES

For the Three Months Ended March 31, 2023

| | First Quarter Ended March 31, 2023 | Three Months Ended March 31, 2023 | Approved Budget | Variance | Percent of Budget |
|--|---------------------------------------|--------------------------------------|-----------------|----------------|----------------------|
| Revenues: | | | | | |
| Investment income, net of fees | \$ 20,737.38 | \$ 20,737.38 | | | |
| Total revenues (losses) | 20,737.38 | 20,737.38 | | | |
| Expenses: | | | | | |
| 4.2 Other Expenses | | | | | |
| 4.H Projects & Construction | | | | | |
| 1-63113-69 - Long-Term WTP Modifications | 34,794.47 | 34,794.47 | \$ 100,000.00 | \$ (65,205.53) | 34.79% |
| 4.H Projects & Construction | 34,794.47 | 34,794.47 | 100,000.00 | (65,205.53) | 34.79% |
| Total expenses | 34,794.47 | 34,794.47 | \$ 100,000.00 | \$ (65,205.53) | 34.79% |
| Change in net assets | (14,057.09) | (14,057.09) | | | |
| Net assets, beginning of period | 1,868,546.10 | 1,868,546.10 | | | |
| Net assets, end of period | \$ 1,854,489.01 | \$ 1,854,489.01 | | | |

Montana Environmental Custodial Trust

Black Pine Clean-up Account

STATEMENT OF FINANCIAL POSITION

As of March 31, 2023

ASSETS

Current assets

Cash

\$ 15,821.34

Prepaid expenses - DEQ

413,221.80

Total current assets

429,043.14

Investments

6,656,577.87

Total assets

\$ 7,085,621.01

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable

\$ 10,212.49

Total current liabilities

10,212.49

Net assets

7,075,408.52

Total net assets and liabilities

\$ 7,085,621.01

Montana Environmental Custodial Trust
Black Pine Clean-up Account
STATEMENTS OF ACTIVITIES
For the Three Months Ended March 31, 2023

| | First Quarter Ended March 31, 2023 | Three Months Ended March 31, 2023 | Approved Budget | Variance | Percent of Budget |
|--|---------------------------------------|--------------------------------------|----------------------|------------------------|----------------------|
| Revenues: | | | | | |
| Interest Income - DEQ | \$ 1,235.61 | \$ 1,235.61 | | | |
| Cost Recovery - DEQ | - | - | | | |
| Investment income, net of fees | 17,129.12 | 17,129.12 | | | |
| Realized gains (losses) | - | - | | | |
| Unrealized gains (losses) | 86,690.10 | 86,690.10 | | | |
| Total revenues (losses) | <u>105,054.83</u> | <u>105,054.83</u> | | | |
| Expenses: | | | | | |
| 5.1 Costs Paid Directly by Trustee from Clean-up Account | | | | | |
| 2-2-02 Trustee Services/Expenses-GETG | 3,080.25 | 3,080.25 | \$ 15,000.00 | \$ (11,919.75) | 20.54% |
| 2-2-03 Mine Maintenance/Security | 8,463.00 | 8,463.00 | 33,852.00 | (25,389.00) | 25.00% |
| 2-2-04 Generator Maintenance | - | - | 2,000.00 | (2,000.00) | 0.00% |
| 2-2-51 Accounting Services | 402.57 | 402.57 | 5,000.00 | (4,597.43) | 8.05% |
| 2-62401 Mileage | 1,002.16 | 1,002.16 | 5,250.00 | (4,247.84) | 19.09% |
| 2-62405 Snowmobile | 1,350.00 | 1,350.00 | 2,250.00 | (900.00) | 60.00% |
| 5.1.1 Utilities | - | - | | | |
| 2-62601 Electricity | 311.57 | 311.57 | 6,500.00 | (6,188.43) | 4.79% |
| 2-62607 Propane | - | - | 2,840.00 | (2,840.00) | 0.00% |
| 5.1.1 Utilities Total | <u>311.57</u> | <u>311.57</u> | <u>9,340.00</u> | <u>(9,028.43)</u> | <u>3.34%</u> |
| 5.1 Trustee Costs Total | <u>14,609.55</u> | <u>14,609.55</u> | <u>72,692.00</u> | <u>(58,082.45)</u> | <u>20.10%</u> |
| 5.2 DEQ Costs | <u>101,964.37</u> | <u>101,964.37</u> ⁽¹⁾ | <u>305,168.41</u> | <u>(203,204.04)</u> | <u>33.41%</u> |
| Total expenses | <u>116,573.92</u> | <u>116,573.92</u> | <u>\$ 377,860.41</u> | <u>\$ (261,286.49)</u> | <u>30.85%</u> |
| Change in net assets | (11,519.09) | (11,519.09) | | | |
| Net assets, beginning of period | 7,086,927.61 | 7,086,927.61 | | | |
| Net assets, end of period | <u>\$ 7,075,408.52</u> | <u>\$ 7,075,408.52</u> | | | |

(1) See the supplemental schedule provided by the Montana Department of Environmental Quality for details of 5.2 DEQ Costs

Prepared by MDEQ

Black Pine Mine Custodial Trust Expense Tracking

| | Personnel | Fringe | Travel | Equipment | Supplies | Consultants | Construction | Other | Total Direct | Indirect | Totals |
|---------------------------------------|--------------|--------------|-------------|-----------|----------|---------------|--------------|-------------|---------------|--------------|---------------|
| Budget Request 2023 | \$ 41,539.91 | \$ 16,615.96 | \$ 4,107.68 | | | \$ 212,500.00 | | \$ 5,924.70 | \$ 280,688.25 | \$ 24,480.16 | \$ 305,168.41 |
| Additional Funding Received | | | | | | | | | | | |
| Jan-Mar 2023 | \$ 13,389.72 | \$ 4,688.78 | | | | \$ 74,819.21 | | \$ 2,899.80 | \$ 95,797.51 | \$ 6,166.86 | \$ 101,964.37 |
| Apr-Jun 2023 | | | | | | | | | \$ - | | |
| July-Sep 2023 | | | | | | | | | \$ - | | |
| Oct-Dec 2023 | | | | | | | | | \$ - | | |
| Expenses 2023 | \$ 13,389.72 | \$ 4,688.78 | \$ - | \$ - | \$ - | \$ 74,819.21 | \$ - | \$ 2,899.80 | \$ 95,797.51 | \$ 6,166.86 | \$ 101,964.37 |
| 2023 Budget request balance remaining | \$ 28,150.19 | \$ 11,927.18 | \$ 4,107.68 | \$ - | \$ - | \$ 137,680.79 | \$ - | \$ 3,024.90 | \$ 184,890.74 | \$ 18,313.30 | \$ 203,204.04 |

Montana Environmental Custodial Trust
Iron Mountain Clean-up Account

STATEMENT OF FINANCIAL POSITION

As of March 31, 2023

| ASSETS | |
|----------------------------------|----------------------|
| Current assets | |
| Cash | \$ 933.34 |
| Investments | 280,691.19 |
| Total assets | <u>\$ 281,624.53</u> |
| | |
| LIABILITIES AND NET ASSETS | |
| Liabilities | |
| Accounts payable | \$ - |
| Net assets | 281,624.53 |
| Total net assets and liabilities | <u>\$ 281,624.53</u> |

Montana Environmental Custodial Trust
Iron Mountain Clean-up Account

STATEMENTS OF ACTIVITIES

For the Three Months Ended March 31, 2023

| | First Quarter Ended March 31, 2023 | Three Months Ended March 31, 2023 | Approved Budget | Variance | Percent of Budget |
|--|---------------------------------------|--------------------------------------|--------------------|----------------------|----------------------|
| Revenues: | | | | | |
| Investment income, net of fees | \$ 2,970.52 | \$ 2,970.52 | | | |
| Total revenues (losses) | <u>2,970.52</u> | <u>2,970.52</u> | | | |
| Expenses: | | | | | |
| VI.A Clean-up Activities | | | | | |
| VI.A.1 GETG Trustee Fees | - | - | \$ 2,000.00 | \$ (2,000.00) | 0.00% |
| VI.A.2 GETG/Trustee Expenses | - | - | 250.00 | (250.00) | 0.00% |
| VI.A Total Clean-up Activities | <u>-</u> | <u>-</u> | <u>2,250.00</u> | <u>(2,250.00)</u> | <u>0.00%</u> |
| VI.C Legal Affairs | | | | | |
| VI.C.1 Outside Counsel | - | - | 500.00 | (500.00) | 0.00% |
| VI.C Total Legal Affairs | <u>-</u> | <u>-</u> | <u>500.00</u> | <u>(500.00)</u> | <u>0.00%</u> |
| VI.D Financial Affairs | | | | | |
| VI.D.1 Accounting Fees & Expenses (Wipfli) | - | - | 250.00 | (250.00) | 0.00% |
| VI.D Total Financial Affairs | <u>-</u> | <u>-</u> | <u>250.00</u> | <u>(250.00)</u> | <u>0.00%</u> |
| Total expenses | <u>-</u> | <u>-</u> | <u>\$ 3,000.00</u> | <u>\$ (3,000.00)</u> | <u>0.00%</u> |
| Change in net assets | 2,970.52 | 2,970.52 | | | |
| Net assets, beginning of period | 278,654.01 | 278,654.01 | | | |
| Net assets, end of period | <u>\$ 281,624.53</u> | <u>\$ 281,624.53</u> | | | |